



State of California

LITTLE HOOVER COMMISSION

FOR IMMEDIATE RELEASE

March 13, 2014

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Richard Roth
Senator

Sumi Sousa

Carole D'Elia
Executive Director

For Additional Information Contact:

Carole D'Elia

Executive Director

(916) 445-2125

NOTICE OF MEETING

On Thursday, March 27, 2014, the Little Hoover Commission will conduct a public hearing on the underground economy in California. The hearing will begin at 9:30 a.m. in Room 437 of the State Capitol in Sacramento.

In this hearing, the Commission will continue its efforts to understand the ways in which the state is addressing the complex challenges presented by the underground economy. Additionally, the Commission will examine state efforts to assist businesses in complying with regulations and will learn about ways in which government agencies use data analytics to combat fraud.

The Commission will hear from Selvi Stanislaus, executive officer of the California Franchise Tax Board, who will explain the relationship between the underground economy and taxes, outline her organization's role in the state's underground economy task forces and discuss how to enhance collaboration, outreach and enforcement.

The Commission then will hear from a panel of representatives from the Employment Development Department's Investigation and Field Audit and Compliance divisions, who will discuss their outreach and enforcement activities and the department's collaborative partnerships.

Next, a representative from the Contractors State License Board will discuss the board's successes and challenges in enforcing regulations and a pilot program designed to increase the proper installation of heating, ventilation and air conditioning systems. A representative from the California Energy Commission will provide perspective regarding the state's energy policy and goals.

The Commission also will hear from the Governor's Office of Business and Economic Development about a program it offers to guide businesses in complying with requirements. Finally, an expert will share his experiences using data analytics in identifying fraud in government programs.

There will be an opportunity for public comment at the end of the hearing. The Commission also encourages written comments.

All public notices for meetings are on the Commission's website, www.lhc.ca.gov. If you need reasonable accommodation due to a disability, please contact Commission Executive Director Carole D'Elia at (916) 445-2125 or littlehoover@lhc.ca.gov by Thursday, March 20, 2014.



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LITTLE HOOVER COMMISSION

Public Hearing on the Underground Economy
Thursday, March 27, 2014
State Capitol, Room 437
Sacramento

Jonathan Shapiro
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Executive Director

Public Hearing: 9:30 a.m.

Underground Activities and Their Effects on the California Economy and Business

1. Selvi Stanislaus, Executive Officer, Franchise Tax Board

The Employment Development Department's Programs and Role in State Task Forces

2. Michele Ostby, Chief, Field Audit and Compliance Division, Employment Development Department
3. Lisa Schmith, Chief, Investigation Division, Employment Development Department

Addressing Violations within the Construction Industry

4. David Fogt, Enforcement Chief, Contractors State License Board
5. Bill Pennington, Senior Technical and Program Advisor, California Energy Commission Energy Efficiency Division

GO-Biz and its Efforts as a One-Stop Shop

6. Paul Martin, Deputy Director of Permit Assistance, Governor's Office of Business and Economic Development

The State of Washington's Use of Data in Combating the Underground Economy and What California Can Learn

7. Carl Hammersburg, Government Fraud Solutions Specialist, SAS Institute Inc.; and former Fraud Prevention and Compliance Manager, Washington State Department of Labor & Industries

Business Meeting
Thursday, March 27, 2014
925 L Street, Room 175
Sacramento

(The Commission will consider agenda items I-V at approximately 1 p.m. The precise time will vary depending upon the testimony of witnesses and will be determined at the discretion of the chair.)

- I. Election of Officers
- II. Business Meeting Minutes from January 23, 2014 and February 27, 2014
- III. Subcommittee Reports/Project Selection
- IV. Implementation
- V. Reports from Bureau of State Audits